

Nonprofit Capacity Building Program Frequently Asked Questions FAQs, revised 7/26/2011

This document is intended to serve as a companion to the Notice of Federal Funds Availability (Notice) for the Nonprofit Capacity Building Program (NCB) competition. Potential applicants should read both materials together, and refer to the Notice as the primary source of information. Potential applicants are advised and encouraged to refer to the website for updates.

Eligibility

1. *Can a for-profit intermediary apply?*

The legislation that established the Nonprofit Capacity Building Program specifies that grants be made to “intermediary nonprofit organizations”.

2. *Are institutions of higher education eligible?*

Private and state-controlled institutions of higher education that meet the definition of a nonprofit entity as set out in Section III of the *Notice* are eligible to apply for the Nonprofit Capacity Building Program, as long as they also meet the other eligibility requirements.

3. *Our organization operates within a single state, but has several branches across the state. May we apply as a single organization with the multiple branches?*

The intermediary needs to serve small to midsize nonprofits, so if the branches themselves are small to midsize nonprofits that are otherwise eligible under the NOFA that would address the criteria. However, if the branches are just divisions of one larger organization that would not meet the criteria.

Additionally grantees proposing to serve their own affiliates or other pre-selected nonprofits must also identify activities designed to reach and serve additional nonprofits within the service area (see excerpt below from page 2 of the NOFA):

2. *Assist both a large number of small and midsize nonprofit organizations within a geographic service delivery area and demonstrate impact.* The Corporation is interested in the extent to which the intermediary has the capacity to both assist a large number of nonprofit organizations within a service delivery area, relative to the proposed amount of the grant, and can demonstrate progress on key indicators of success. Research on effective intermediaries suggests that those that operate within a well-defined service area with existing and ongoing relationships in the community are more likely to demonstrate impact in building capacity of nonprofit organizations. Applicants will propose a process for selecting a certain number of small and midsize nonprofits within its defined service area to which it will provide organizational development assistance in an ongoing relationship over the life of the grant. Applicants will also identify activities (such as publically offered trainings) designed to reach and serve additional nonprofits within the service area.

Match

4. *Why must the NCB matching requirements be met in cash?*

The legislation that established the Nonprofit Capacity Building Program specifies that matching fund requirements “shall be provided in cash”.

5. *What does it mean to provide a “cash” match?*

For most Federal grant programs, grantees are able to meet part of their matching fund requirements by counting the market value of goods and services donated by third parties as “in kind” matching costs. This is not the case with this grant. NCB intermediaries will not be able to count the value of “in kind” or donated goods and services toward their match. The legislation requires that the match for the NCB Program must be in cash in an amount equal to the federal share of the budget.

6. *Can the cash match be donated goods and services?*

No, the NCB match must be in cash. Donated or otherwise in-kind goods or services may not be counted as matching funds.

7. *For the cash match, can you use the organization’s reserve funds or other internal funds as a cash match?*

Yes, you can, you just have to demonstrate that it is not diminishing the amount that was previously spent on an initiative similar to that described in this NOFA.

8. *What is the matching requirement for intermediaries and by when will NCB grantees need to demonstrate that they have met the requirement?*

NCB grantees must match all of the Federal funds received, dollar-for-dollar, in cash. At the time of application clarification (after submission but by the end of August 2011) to the NCB competition, applicants must demonstrate either cash on-hand or commitments (or a combination thereof) toward meeting 100 percent of the first year matching funds, based on the amount of Federal funds requested. For example, a request of \$998,000 needs to be accompanied by documentation of \$998,000 on hand or committed at the time of application. Then over the course of the grant, NCB intermediaries will also have to demonstrate that they have matched all Federal funds they have expended. The final financial report for the first grant year must show that Federal funding is no more than 50 percent of the NCB intermediary’s total funds expended.

9. *How can NCB applicants demonstrate they can meet the 100 percent up-front match requirement?*

Signed letters verifying cash match on-hand, or commitments, can be sent via email to NCB@CNS.gov. When submitting match verification by email, applicants should reference their eGrants application ID and their organization name in the subject line of their email. Please note Match Verification Letters are due at the time of application clarification and no later than the end of August 2011.

10. *What sources of matching funds are allowable?*

Matching funds may come from State, local, or private sources, which may include State or local agencies, businesses, private philanthropic organizations, or individuals. Generally, funds from other federally-supported grants (including State matching funds included in those grants) cannot be used to meet NCB matching fund requirements. However, there may be exceptions to the rule. For example, by federal law recipients of federal block grant funds may be allowed to use those funds as match on another federal grant, including an NCB grant if NCB activities are permitted under the federal block grant program.

11. Can operational funds be used toward the match?

If by “operational funds” you mean general operating funds you receive, then yes, they can be used for match. Any funds an organization receives that are not tied to a specific activity outside of the capacity-building grant can be used as match.

12. In addition to the specific requirements related to the NCB, what general requirements will apply to NCB intermediaries in spending their Federal award and matching funds?

There are government-wide regulations (referred to as the Cost Principles) which govern the costs that may be charged to Federal funds and matching funds under Federal grants. All NCB intermediaries will be required to comply with the Cost Principles that are applicable to their organizations. Refer to the Federal cost principles at: <http://www.whitehouse.gov/omb/circulars/index.html> for information on allowable costs in Federal grants.

Please note that recipients of Federal grants are also required to follow other government wide requirements that include the Uniform Administrative Requirements and the Single Audit Act. These documents are also available at the website above.

Indirect Cost Rate

13. If I have an approved indirect cost rate, do I have to use it for this grant program?

Yes, applicants with a federally approved indirect cost rate agreement must use those rates for any indirect costs they include in their budgets for the NCB.

14. Is there a cap on the indirect cost rate?

Yes. Indirect Costs (Administrative/Indirect Costs) are limited to 6% of the funds requested.

Application Submission

15. Should I send additional information like my organization’s financial statement, 501(c) 3 designation and IRS form 990?

Outside of the match verification letter no additional documents will be accepted with the application. Applicants that become finalists will be notified to submit specific documents at a later date.

16. What are the character limits on the Executive Summary?

The character limit on the Executive Summary is 2000 characters (clarifying conflicting information on the first NOFA where both 2000 and 4500 characters were noted), including spaces and punctuation.

17. What should I do if I am having a problem with my application in eGrants?

For technical questions and problems with the eGrants system, call 800-942-2677 or use the following link: <https://questions.nationalservice.gov/app/ask>. Be prepared to provide the application ID, organization’s name, and the *Notice* to which you are applying. National Service Hotline hours are 8:00 a.m. to 8:00 p.m. Eastern Time Monday through Friday. If technical issues will prevent an applicant from submitting an application on time, please contact the National Service Hotline prior to the deadline to explain the technical issue and

receive a ticket number. If the issue cannot be resolved by the deadline, the applicant must continue working with the National Service Hotline to submit via eGrants.

18. *When are applications due?*

Application are due at the Corporation on **Tuesday, August 9, 2011 at 5:00 pm Eastern.**

Grant Award

19. *Is the total fund amount 998K? Or 980K?*

The amount available for Nonprofit Capacity Building of a total of \$998,000 was reduced to \$988,920 due to a small percentage taken by CNCS for administrative costs of managing the fund.

20. *What is the timeline for this grant award?*

The Corporation expects award will be made by September 30, 2011.

21. *What is the period of performance?*

The project and budget period will begin on September 30, 2011 and will continue for 24 months ending on September 29, 2013. The grant will be funded for the full two years in the initial award. The project design and budget narrative in your application should cover a two-year period but you must design performance outcomes that you can meet by the end of each year.

22. *How can I find out who is awarded this grant?*

At the time of award a press release will be posted on the www.nationalservice.gov website under "About Us" "Newsroom" "Press Releases."

23. *I'm a nonprofit community organization that wants to apply to be a recipient after NCB intermediaries receive awards. Will the Corporation publicize opportunities?*

The Corporation will announce the NCB intermediary grantee(s). Each Grantee will conduct a selection process for organizations to receive services under this grant.

General

24. *Is there a definition of a "large number" of small and mid-size non-profits?*

No, there is no threshold, ratio, or pre-determined number that exists for the purposes of this NOFA because there is the potential for significant variability among applicants based on funding level, geographic diversity, and other factors. The definition of *large* is left up to the applicants who must make the case for how many nonprofits they plan to serve.

25. *Are copies of successful applications from last year available? If so, where.*

We do not make available applications of winning proposals, but we have posted a press release naming the winning applicants, the amounts funded, and the service each grantee will be providing. These are at the following link:

http://www.nationalservice.gov/about/newsroom/releases_detail.asp?tbl_pr_id=1845

26. *What is the definition of an intermediary?*

The legislation that established the Nonprofit Capacity Building Program defines an intermediary nonprofit organization as an experienced and capable nonprofit entity with meaningful prior experience in providing organizational development assistance or capacity building assistance focused on small and midsize nonprofit organizations.

27. Is there a size limit for the intermediary organization applying for the grant?

No, the stated size limit applies to the “small to midsize nonprofit” beneficiaries of the services provided by the intermediary organization not the intermediary itself.

28. What is the definition of small to midsize nonprofit?

For the purposes of this *Notice*, criteria for determining a small or midsize nonprofit include organizations that have budgets of less than \$5 million in total assets per year.

29. Will the Corporation consider funding a national organization to provide organizational development assistance to small and midsize nonprofits in multiple service areas?

Yes. The applicant must identify the specific geographic service areas it intends to serve and demonstrate that the nonprofits in those service areas face resource hardship challenges, that the applicant has existing relationships in the service areas, and that it proposed a cost-effective model for providing ongoing organizational development assistance to the small to midsize nonprofits in those areas.

30. Will the Corporation consider an organization with a national initiative working in under-resourced communities in two or more non-contiguous states eligible as a multi-state region service area (e.g., California, Pennsylvania, and Missouri)?

No. The applicant could propose to operate through sites in California, Pennsylvania, and Missouri as three separate geographic service areas and would need to demonstrate meeting the criteria in the *Notice* and discussed in Question 29.